

## **FISCAL NOTE**

### **SB 2360 - HB 2302**

February 16, 2000

**SUMMARY OF BILL:** Creates the Tennessee Internet Personal Information Privacy Act of 2000. Prohibits any person, firm, partnership or corporation which provides an on-line computer service from disclosing personal information concerning a subscriber to any other person, firm, partnership or corporation unless the subscriber has consented to the disclosure or has received a notice that states the following: (a) the nature or personal information collected or to be collected with respect to the subscriber and the nature and use of the information, (b) The nature, frequency and purpose of any disclosure which may be made of such information, including an identification of the types of persons or person to whom such disclosure may be made, (c) the period of time the information will be maintained, (d) a description of the procedures by which the subscriber may gain access to the information. The notices may be provided electronically by using computer-based telecommunications. A subscriber, upon request, must be provided access to all personal information regarding such subscriber that is collected and maintained by an on-line computer service. The information must be available at reasonable time and at a convenient location to the subscriber. Computer-based telecommunications may be the means by which such information is provided to the subscriber. Requires the subscriber to be provided a reasonable opportunity by the on-line computer service to correct errors in personal information and the on-line computer service must promptly correct the information. If the on-line computer service is unable to resolve any remaining differences, the subscriber must also be provided with the opportunity to file a statement of explanation concerning the nature of any dispute. Allows the on-line computer service to disclose personal information if the disclosure is (a) necessary to render or conduct business or provide service to the subscriber, (b) made pursuant to a court order, (c) for the purpose of extending credit to the subscriber or for a check or credit card transaction when it is incidental to the sale or other transfer of the accounts receivable of the on-line computer service, (d) for the purpose of validating a check written by the subscriber. Provides any subscriber who has been injured by reason of any violation of this section may bring an action in such subscriber's own name to enjoin such unlawful act or practice, an action to recover actual damages or \$100 whichever is greater, or both such actions. Authorizes the court, in its discretion, to increase the award of damages to an amount not to exceed three times the actual damages up to \$1,000, if the court finds the defendant willfully or knowingly violated the law. The court may also award reasonable attorney's fees to a prevailing plaintiff.

### **ESTIMATED FISCAL IMPACT:**

#### **Increase State Expenditures - Exceeds \$1,000,000**

Estimate assumes:

- The Department of Finance and Administration has interpreted the bill in its current form to apply to government entities. Numerous state government transactions would be included under the provisions of the bill.
- An increase in state expenditures of approximately \$1,000,000 resulting from at least 200 MIS system transaction codes that would have to be modified at a cost of approximately \$5,000 each.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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